

FALL 2010 **Damar** 37 ISSUE

CELEBRATING 34 YEARS OF CONTINUOUS IMPROVEMENT



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DAMAN FEATURE

A view from

The background of the article features a series of silhouettes of people of various heights standing on a white, winding path. The path starts from the bottom left and leads towards the top right. The background is a solid orange color. The silhouettes are black, and the overall composition is minimalist and artistic.

Selecting people who fit well in a team-oriented environment takes some extra steps. As Daman begins to hire employees again, the hiring team has added job shadowing to the application process to give everyone an opportunity to evaluate compatibility.

DAMAN FEATURE

the inside.

Daman's philosophy about its hiring process constantly evolves. The internal hiring team weighs the merits of experience versus aptitude, resumes and interviews versus personality assessments and problem-solving scenarios, past performance versus future development.

That evolutionary process led to a significant addition to Daman's hiring process in 2010.

"We introduced job shadowing," explained Krysten Shoulders, Human Resources Director. "Applicants spend an hour on the shift that they would work, so they can meet the people they would work with and see how a typical production shift operates."

Expectations meet reality.

The aim of the restructured process is to improve retention and align expectations better on both sides. It has been a win-win addition for applicants and the company, Shoulders says.

"The experience helps solidify in the applicant's mind that this is the right place to work and the right fit," explained Shoulders. And it gives cell team members an opportunity to participate in the hiring process.

"We want to hire people who want to stay with Daman," she said. "We're like a family here, and we want our new hires to feel like they are a part of our family."

Applying teamwork to the process.

The hiring process blends traditional elements, such as reviewing job applications and conducting interviews, with computer-based and hands-on assessment tests. With each



Statistically, hiring decisions driven by a single person prove successful only a third of the time while team decisions result in over 50 percent success rate.

step, the hiring team also carefully considers the applicant's communication and interpersonal skills.

"During job shadowing, the shift team can get some first impressions and figure out if the applicant would fit in with the group," Garold Kendall, Production Team Leader, said. "The applicant also can get an up-close look at how we function as a team."

By all accounts, the improved process is working. Employees who went through the expanded application process are fitting into their cell teams more quickly. Machine operators take more time to explain why procedures call for specific steps and how the process makes a difference in production. And cell leaders see long-term opportunities for growth, development and advancement for their co-workers.

DAMAN PERSPECTIVE

Lifelong learners apply here

Success and learning parallel each other at Daman. This core belief lies at the foundation of Daman's commitment to training its employees from the moment they join the company until the day they leave.

Training teaches how and why.

Employee orientation training at Daman extends beyond a few hours of instruction about 5S organizational skills and parts inspection. It encompasses quality control issues, communication skills and understanding each type of machining process, as well as how each process fits into producing a complete part.

Overall, newly hired employees receive more than 40 hours of orientation training – all during their first 90 days on the job.

"We start with the basics – organization of the shop floor, safety issues, company procedures," said Dave Thomas, Training and Quality Assurance Manager.

"Then we start to tackle terminology, how to read blueprints correctly, reading inspection instruments, the components of a completed part."

Orientation training also encompasses an introduction to the team concept that has become a hallmark of Daman's culture. Training focuses

on specific skills needed to become a successful team member – communication, feedback, conflict management, goal setting and developing a winning attitude.

Training helps achieve goals.

Well-trained employees consistently produce products that meet Daman's high standards for quality. That quality assurance, in turn, helps Daman go beyond fulfilling customers' requirements and deliver orders that meet or exceed the value that customers place on those products.

Thomas uses a proprietary Training to Achieve Goals (TAG) program to teach trainees standard operating procedures for all of the machinery used on the shop floor. Trainees manage their progress through the Intranet-based program by setting goals and time schedules to complete each set of instructions. They also use the program to identify people or resources needed to learn each procedure. As they complete each lesson, they log their progress into the TAG system. Cell leaders and trainers regularly evaluate the trainees' progress and provide feedback on strengths and areas to improve.

The seven employees hired this year continue to reap the benefits of Daman's re-energized orientation training. TAG has allowed them some autonomy to master essential technical skills. Plus, it has given them some insight into how they are an important part of Daman's overriding principle to focus on customers, their expectations and what they perceive as value.

ENGINEERING SOLUTIONS

Dialing in on quality

Quality begins and ends every process at Daman. It is second nature to customer service. It is constant, yet it continually evolves.



Daman's investment in calibration instruments includes everything from hand-measurement tools, such as calipers and micrometers, to a Coordinate Measuring Machine (CMM). A mobile measuring probe on the CMM determines the geometric characteristics of a part and measures all of its features.

Daman assures quality in its processes and products, in part, by adhering to rigorous calibration schedules for every machine tool on the shop floor.

"We take a proactive approach to calibration," Dave Thomas, Quality Assurance Manager, said. "That's the only way to make sure we produce good parts for our customers time after time."

Program built on taking initiative.

Thomas works closely with machine operators in all of the cells to maintain, repair and calibrate each precision measuring instrument every six to 12 months, year after year. On average, they record over 1,500 calibrations annually, using 11 sets of thread gages that provide measurements to a ten-thousandth of an inch.

"Our tools, knowledge and calibration procedures mirror Daman's philosophy of focusing on our customers, their expectations and the opportunity to deliver high quality products," Thomas said. "We check and double-check every step of our process to make sure we are within tolerances."

It captures data on video for machinists to use in verifying tolerances and determining accuracy.

Daman's in-house calibration program encompasses about 80 percent of its equipment and devices. For larger, more complex calibrations, Thomas' team uses outside calibration services for certification and verification.

New instruments, gages and tools also get a thorough inspection.

"We don't just take the supplier's word that the tool is correctly calibrated," said Thomas. "We check every order to make sure it's built within our specifications."

The proactive approach has helped cell groups lower scrap rates, improve efficiency and maintain consistency.

Quality matters.

Ultimately, customer satisfaction reflects Daman's constant focus to keep quality at a high standard.

"Our customers put their reputations on the line every time they sell our product," Thomas said. "They depend on us to deliver a quality product. And we want to make sure we deliver — every time."

MARKETING NEWS

Creativity matters

Creativity has taken on new meaning at Daman. From the shop floor to the design area and throughout the office hallways, people are thinking creatively about how to bring new products and services to the marketplace in a timely way.

A Creative Team, initiated this summer with the help of a strategic development consultant, is exploring ways to respond to market opportunities, extend product lines and consider opportunities to bring products and services outside the traditional fluid power control industry to the marketplace.

"We're trying to engage some new, creative thinking to understand the marketplace and customers' needs," said Gordon Weiler, National Sales Manager and Creative Team member. "We want to foster an innovation culture that will help us sustain growth."

Born out of the slowdown in business during the recession, the quest for sustainable growth is causing a subtle retooling of the lean culture that is a hallmark of Daman. The Creative Team has



recognized that the company excels operationally. Now they are exploring ways to parlay that strength into building new products.

Risk leads to success.

The team wants to broaden its frame of reference beyond manifolds and more readily identify marketplace needs. Ideas include extending existing product lines, designing a new hydraulic product or service or developing a concept outside traditional fluid power controls, according to Weiler.

As the ideas emerge, team members are considering how product development fits into Daman's strategic flow. Their goal: limit or manage the inevitable chaos caused by introducing a new process into current operations.

"We have a lot of avenues we can go down," Weiler said. "We want to make sure we lay the proper groundwork so we can launch a new product or service in a meaningful and successful way."

The team knows that the process demands some experimentation.

"We realize we might not have immediate success," Weiler said. "But a little more creativity could make our business more dynamic and better able to adapt to a constantly changing business world," explained Weiler.

OUTLOOK

Mastery, Autonomy and Purpose

By Larry M. Davis

Magic bullet rhetoric seems to have no end. If managers attempted to adopt every nuanced best practice, we would drive mass confusion into our organizations. Nevertheless, leaders must continue to scan the horizon for tests and validation of our methods.

We found validation of our core beliefs about organizational excellence in a YouTube video, of all unlikely places. The video's basic



premise was that money is not a motivator and could be a disincentive to performing at a sustained, high level of output. Instead, motivation comes from mastery, autonomy and purpose, according to this video.

Mastery is easily recognized. We spend an inordinate amount of time and money providing our employees with technical

and life skills training, tools and refined processes.

Autonomy rings true for us, as well. Visitors to our plant know that managers usually are not on the plant floor. Our people work with very little supervision, which sets the stage for them to "own" their work and exceed our market's expectations.

As for purpose, we have believed for years that our purpose is to help our customers be successful. Philosophically, this revelation shifted our focus from traditional, internal tasks to redefining how we do work to best support our customers. It also matches our motto to "*do the right things for the right reasons and good things will happen.*"

Our culture is built around the truth that you, our distributors, can excel only if your manufacturers are supporting you. In the final analysis, you are the only benchmark that counts. We thank you for the confidence you place in us every day.

As always, there is more to do,

DID YOU KNOW

Simplify your flange orders.

Did you know we have a full line of flange parts? And we have a cross-referenced list of part numbers to make ordering Daman flanges easy – regardless of your current supplier. Our catalog includes over 4,000 flange parts with intelligent part numbers so you get exactly what you need. To see our cross-referenced list, go online to www.daman.com/flange where you will find our complete list of parts and price list.

A measure of thanks.

Duty called and everyone answered last year. When Daman's quality assurance manager, Dave Thomas, was called to active duty in Iraq with the Navy last year, his co-workers naturally picked up his responsibilities to keep instruments and gages calibrated. John Petzold and John Childress, machine operators, accepted their additional duties without hesitation until Thomas' return this spring. Thanks, John and John.

Team Daman scores again.

More than 125 eighth graders recently discovered that teamwork plays an important role in the workplace, as well as on the ball field. The students toured Daman as part of a career exploration program coordinated by a local public school corporation. They saw teamwork in action on the shop floor, in the design area, and even with their tour guides. Daman has participated in the outreach program for several years.

Spotlight: Firing away with kettlebells.

Brittany Weiler takes no prisoners in her kettlebell workout class at Daman. And she also throws plenty of action toward her class of 15 employees. Weiler brings her kettlebells – cast iron weights that look like cannonballs with handles – to Daman twice a week for 45 minutes of cardiovascular and strength training in each workout.

With over 20 years of experience in the healthcare industry, Weiler has been devoted to physical fitness and nutritional fitness her entire life. She completed her kettlebell training certification in 2007 and has been training individuals and groups in the art of kettlebell fitness through a local gym in northern Indiana. A little encouragement from her husband, Gordon, Daman's national sales manager, and other employees she had trained led her to set up four-week training sessions for Daman employees.

Despite some tired muscles and a few groans, everyone agrees that kettlebell workouts really take aim at fitness, feeling better and fun.



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Manifold News

DAMAN WINWORK NEWS

No call waiting in Tech Support

Got a question? Need help? Want solutions now? Call Tech Support at Daman, and we will answer – immediately.

In an era of information on demand, we recognize the frustrations of automated answering systems, seemingly endless transfers and delayed resolution to issues. That is why we strive to answer your call promptly and get you the information you need immediately.

"When we take a call, we want to answer the question or provide the requested information during that initial phone conversation," explained Matt Giloth, Manager of Distributor Services. "We don't want to have to transfer the call to someone else or have to call back with the information."



A quick survey of 422 calls in June 2010 proved that more than 94 percent of inquiries received by inside sales and technical support were handled during the initial conversation. Giloth attributes the responsiveness to his group's longevity and depth of knowledge, the

physical configuration of the department work area with everyone in close proximity and the "communication pass-through" that gives everyone immediate access to information from every area in the company.

The group treats e-mail communications with the same attitude as phone calls. Even with hundreds of e-mails, arriving each month, every message gets a quick, complete, and concrete response.

"If it feels different when you talk to Daman, this is why," Giloth said. "But it's business as usual for us."